

**STATEMENT OF PROCEEDINGS FOR THE
SPECIAL MEETING OF THE
CITY OF MONTEBELLO OVERSIGHT BOARD**

**CITY OF MONTEBELLO
CITY COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA 90640**

Wednesday, September 10, 2014

8:15 AM

I. CALL TO ORDER

Chair Bruckner called the meeting to order at 8:25 a.m.

II. ROLL CALL

Tanya Ruiz, Oversight Board Staff, called the roll:

Present: Board Members Angel F. Barnuevo, Vanessa Delgado, Vice
Chair Ernesto Hidalgo and Chair Richard Bruckner

Absent: Board Members Edgar Cisneros and Cheryl A. Plotkin

Vacancies: Community College Appointee

III. STAFF COMMUNICATIONS

This time is set aside for Successor Agency staff to update the Board on important items initiated by staff or previously requested by the Oversight Board.

There were no staff communications.

IV. ADMINISTRATIVE MATTERS

1. Recommendation: Approve the minutes for February 5, 2014. (14-4039)

On motion of Vice Chair Hidalgo, seconded by Board Member Barnuevo, unanimously carried (Board Members Cisneros and Plotkin being absent), the Oversight Board approved the February 5, 2014 Meeting Minutes.

Attachments: [February 5, 2014 Minutes](#)

2. Recommendation: Approve the minutes for February 26, 2014. (14-4040)

On motion of Vice Chair Hidalgo, seconded by Board Member Barnuevo, unanimously carried (Board Members Cisneros and Plotkin being absent), the Oversight Board approved the February 26, 2014 Special Meeting Minutes.

Attachments: [February 26, 2014 Minutes](#)

V. RECOMMENDATIONS

- 3. Recommendation: Adopt a Resolution approving the Recognized Obligation Payment Schedule for the Montebello Successor Agency for the January 1, 2015 through June 30, 2015 payment period (ROPS 14-15B). (14-4043)**

Andy Zageris, Financial Consultant for the Successor Agency, provided a review of the current Recognized Obligation Payment Schedule (ROPS 14-15B), and informed the Oversight Board that no new items were added to the ROPS. Mr. Zageris referred to the Notes page and explained that Line Items 14, 38, and 46 have been removed from the ROPS as the items have been retired and are no longer enforceable obligations.

Mark Huebsch, Oversight Board Legal Counsel, asked staff for clarification on the line items highlighted in red. Mr. Zageris explained that the line items highlighted in red have been done so by the Department of Finance (DOF) and cannot be edited. Moreover, he explained that those particular line items were previously disallowed by the DOF, however will continue to be listed on all future ROPS as reference.

Vice Chair Hidalgo asked for further explanation on the retired items. Mr. Zageris explained that line items 14, 38, and 46 were relating to the 2000 Certificates of Participation (COP's) that the Successor Agency was obligated to fund through May 2014, and since have expired and, therefore, the items are retired.

Anna Arriola, member of the public, inquired on the status of the bond that was recently passed by the Successor Agency and requested for an update on the Taylor Ranch property. Francesca Tucker-Schuyler, City Administrator, explained that the bond Ms. Arriola is referring to is the most recent City refinancing of three (3) COP's, adding that of the three bonds, one is known as the 2000 COP that was the obligation of the Successor Agency until May 2014. Ms. Tucker-Schuyler further explained that the item is no longer an obligation of the Successor Agency, however noted that the item is now an obligation of the City of Montebello. Ms. Tucker-Schuyler

further indicated that the City recently refinanced the bond at a lower interest rate which would allow the City to save several hundred thousand dollars a year. Chair Bruckner reiterated that the item is no longer a Successor Agency obligation; therefore the Oversight Board no longer has oversight of the issue.

Ms. Tucker-Schuyler provided an update on the Taylor Ranch property, informing that the lot parcel which is owned by the former Redevelopment Agency, which will be included in the Long Range Property Management Plan. Ms. Tucker-Schuyler concluded that the property continues to be in litigation, and until the Finding of Completion is received by the DOF, no further action can be taken.

On motion of Board Member Delgado, seconded by Board Member Barnuevo, duly carried by the following vote, the Oversight Board adopted a Resolution of the Montebello Oversight Board approving the Recognized Obligations Payment Schedule for the Montebello Successor Agency for the period from January 1, 2015 to June 30, 2015 (ROPS 14-15B):

Ayes: 4 - Board Member Barnuevo, Board Member Delgado, Vice Chair Hidalgo and Chair Bruckner

Absent: 2 - Board Member Cisneros and Board Member Plotkin

Vacancies: 1 - Board Member Appointee

Attachments: [Staff Report, ROPS 14-15B, and Resolution](#)

VI. MISCELLANEOUS

4. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (14-4047)

Chris Cardinale, Successor Agency Legal Counsel, provided an update on the following items:

- **State Controller Audit Report:** a required audit by the State Controller Office (SCO) to review former Redevelopment Agency transactions as of January 1, 2011 until the Redevelopment dissolution date of February 1, 2012. Mr. Cardinale informed that the final audit was published in May 2014 and noted the SCO determined there were no unauthorized transactions.

- **Due Diligence Review (DDR) determination: litigation by the Successor Agency challenging the DOF's DDR determination review.** Mr. Cardinale noted that the argument was heard on July 11, 2014 with the final judgment and tentative ruling for a \$4.3 million payment demand by the Successor Agency. Staff has requested that the DOF reconsider the item and noted that the Successor Agency is still awaiting a response.
- **Assembly Bill 1450 as it relates to the pension override tax - Mr. Cardinale explained that the pension override tax item was listed on the previous ROPS; however the DOF has denied the item as a ROPS payment. Mr. Cardinale indicated that the proposed bill would allow the funds to be passed through and are hopeful that the Governor will sign the bill.**

Chair Bruckner inquired when the Long Range Property Management Plan (LRPMP) would be available. Mr. Cardinale informed that the LRPMP draft is ready; however the Successor Agency is waiting for the DOF's Administrative approval prior to submission.

5. Public Comment. (14-4048)

There were none.

6. Adjournment. (14-4049)

On motion of Board Member Delgado, seconded by Vice Chair Hidalgo, unanimously carried (Board Members Cisneros and Plotkin being absent), the Oversight Board adjourned the meeting at 8:44 a.m.